

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1088 - SB 1216

February 19, 2023

SUMMARY OF BILL: Establishes that if a local education agency (LEA) is not eligible for an infrastructure stipend for the 2023-24 school year, then, subject to available appropriations, an LEA that experiences average daily membership (ADM) growth in non-virtual schools exceeding two percent for each year of a two-consecutive-year period is eligible for the infrastructure stipend for the 2023-24 school year.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 49-3-107(c), an LEA is eligible for an infrastructure stipend if the LEA experiences ADM growth in non-virtual schools exceeding two percent for each year of a three-consecutive-year period.
- The infrastructure stipend is a per-student flat dollar amount based on the number of member students in non-virtual schools in the LEA for the current school year in excess of a two percent ADM growth.
- Based on current projections, approximately six LEAs will be eligible for the infrastructure stipend for the 2023-24 school year under current law.
- The proposed legislation would allow LEAs that do not meet the current requirement to be eligible for the infrastructure if their ADM shows growth of two percent or more for the immediately preceding two, rather than three, fiscal years, subject to available appropriations.
- The proposed legislation would not increase the amount of funding available; it would increase the number of districts eligible for the infrastructure stipend, by a currently unknown number.
- Further, it would possibly extend eligibility for the infrastructure stipend to additional LEAs by lowering the number of consecutive years of ADM growth from three to two. The amount of the per student stipend would be lowered by the increased number of eligible LEAs.
- There would be no additional cost to LEAs. The infrastructure stipend is 100 percent funded by the state and requires no local contribution.
- Any impact on state or local expenditures is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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